



## **Texas State of Office of Rural Health**

2017 Small Rural Hospital Improvement Grant Program (SHIP)

### **Application Guide**

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## INSTRUCTIONS FOR SUBMITTING APPLICATION

The application procedures for the 2017 Small Rural Hospital Improvement Grant (SHIP) are included in this Application Guide. The procedures in this application guide supersede those published in all previous SHIP application guides.

The deadline for all 2017 SHIP applications is 5:00 p.m. C.T. on **January 5, 2017**. Applications **will not** be accepted after 5:00 p.m. on the final day of submission. The online application form must be completed and submitted by the deadline date for an applicant to be considered for funding.

Ensure the information provided in the online application form is accurate and complete before submitting. Only one application per applicant/facility is allowed.

The 2017 SHIP online application form can be accessed using the following link:

<http://www.texasagriculture.gov/GrantsServices/SHIP.aspx>

For questions regarding submission of the application and/or Texas Department of Agriculture (TDA) requirements, please contact the Texas State Office of Rural Health (SORH) at (512) 463-0018 or by email at [RuralHealth@TexasAgriculture.gov](mailto:RuralHealth@TexasAgriculture.gov).

**Please read all materials before preparing and submitting the online application form.** Failure to follow the instructions and requirements described in these guidelines may result in the disqualification of the application.

## **PROGRAM RULES AND GENERAL INFORMATION**

This application guide contains the requirements that all applicants are required to meet to be eligible for funding. Failure to conform to these requirements may result in the disqualification of the application. Each applicant is solely responsible for the preparation and submission of the online application form in accordance with the instructions in these guidelines.

### **Statement of Purpose**

The purpose of SHIP is to help small rural hospitals of 49 beds or less do any or all of the following:

- 1) enable the purchase of equipment and/or training to help hospitals attain value-based purchasing provision in the Patient Protection and Affordable Care Act (ACA);
- 2) aid small rural hospitals in joining or becoming accountable care organizations, or create shared savings programs per the ACA, and/or
- 3) enable small rural hospitals to purchase health information technology, equipment and/or training to comply with meaningful use, ICD-10 standards, and payment bundling.

### **Eligibility**

The State Office of Rural Health (SORH) (within TDA) will be the official grantee of record and act as a fiscal intermediary for all hospitals applying for SHIP funding. Applications will be screened for eligibility and completeness. The Texas State Office of Rural Health will compile all eligible applications and submit one SHIP application to the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA).

Eligible applicants are small hospitals located in a rural area. For the purpose of this program:

- 1) “small hospitals” is defined as a non-Federal, short-term general acute care hospital that: (i) is located in a rural area as defined in 42 U.S.C. 1395ww(d) and (ii) has 49 available beds or less, as reported on the hospital’s most recently filed Medicare Cost Report;
- 2) “located in a rural area” is defined as either: (1) located outside of a Metropolitan Statistical Area (MSA); (2) located within a rural census tract of a MSA, as determined under the Goldsmith Modification or the Rural Urban Commuting Areas (RUCAs); or (3) is being treated as if being located in a rural area pursuant to 42 U.S.C. 1395(d)(8)(E); and
- 3) Eligible hospitals may be for-profit or not-for-profit, including faith-based. Hospitals in U.S. territories as well as tribally operated hospitals under Titles I and V of P.L. 93-638 are eligible to the extent that such hospitals meet the above criteria.

## **Award Amount**

Awards are subject to the availability of funds. If funds are not appropriated or collected for this program, applicants will be informed accordingly. Awards are anticipated to total \$9,000 per applicant.

## **Eligible Uses of Grant Funds**

Applicant hospitals must select activities outlined in the federally prescribed application and provided as part of this document. Eligible activities include:

- Value-Based Purchasing
- Accountable Care Organizations or Shared Savings
- Payment Bundling/PPS

## **Responsibilities and Accountability of a Grantee**

The grantee has full responsibility for the conduct of the project and for the results achieved. Each grantee shall monitor the day-to-day performance of the grant project to assure adherence to statutes, regulations, and grant terms and conditions. The grantee will carry out the activities described in the scope of work to achieve project goals, objectives, and desired outcomes. The grantee will be accountable for all grant funds and must ensure all funds are used solely for authorized purposes.

The grantee must ensure:

- Funds are used only for activities covered by the approved project.
- Funds are not used in violation of the restrictions and prohibitions of applicable statutes.
- All budget and performance reports are completed in a timely manner.

Each grantee must ensure they have an adequate accounting system in place and good internal controls to ensure expenditures and reimbursements are reported and maintained for a minimum of three (3) years after the conclusion of the project.

Reporting: Grantees will be required to submit periodic performance reports. Specific reporting timelines will be provided in the grant agreement. As part of TDA's ongoing monitoring of grant funds, grantees must show both a strong progress of work completed on all projects as well as financial progress. Failure to comply with reporting requirements may result in the withholding of a request for reimbursement and/or termination of the award.

Reimbursement: Grantees will be paid on a cost reimbursement basis. Grantees are required to submit a project completion report at the end of the project reflecting the status of the project. Copies of invoices, purchase orders, canceled checks, bank statements, or other supporting documentation must be submitted along with the completion report before grant funds will be released. Once submitted, the project completion report shall be reviewed, approved, and grant funds will be disbursed.

## **General Information**

TDA reserves the right to reject all applications and is not liable for costs incurred by an applicant in the development, submission, or review of the application; or costs incurred by a selected applicant prior to the effective date of grant agreement.

TDA reserves the right to alter, amend, or clarify any provisions, terms, or conditions of this program or any grant awarded as a result thereof, or to terminate this program at any time prior to the execution of an agreement, if TDA deems any such action to be in the best interest of TDA and of the State of Texas. The decision of TDA will be administratively final in this regard.

Applicants are responsible for clearly designating any portion of the application that contains proprietary or trade secret information and must state the reason(s) the information is designated as such. Merely making a blanket claim that the entire application is protected from disclosure because it contains proprietary or trade secret information is not acceptable, and shall make the entire application subject to release under the Texas Public Information Act. In the event that a public information request for the application is received, TDA shall process such request in accordance with Section 552.305 of the Texas Government Code. Applicants are advised to consult with their legal counsel regarding disclosure issues and to take appropriate precautions to safeguard trade secrets or any other proprietary information.

All applications submitted under this program are subject to release as public information, unless the application or specific parts of any such application can be shown to be exempt from disclosure under the Texas Public Information Act, Chapter 552 of the Government Code.

## **Conflict of Interest**

Applicants are required to disclose any existing or potential conflicts of interest relative to this grant program. Failure to disclose any such relationship may result in the disqualification of an application or termination of agreement.

## **General Compliance Information**

1. Grantees must comply with TDA's reporting requirements and financial procedures outlined in the grant agreement. Any delegation by the Grantee to a subcontractor regarding any duties and responsibilities imposed by the grant award must be approved in advance by TDA and shall not relieve the Grantee of its responsibilities to TDA for their performance.
2. All grant awards are subject to the availability of federal funding, and appropriations and authorizations by the Texas Legislature.
3. Grantees must remain in full compliance with state and federal laws and regulations. Non-compliance may result in termination of the grant or ineligibility for reimbursement of expenses, as applicable.
4. Grantees must keep separate records and a bookkeeping account (with a complete record of all expenditures) for grant funds and activities. Records shall be maintained for a minimum of three (3) years after the completion of grant activities, or as otherwise agreed upon with TDA. If any litigation, claim,

negotiation, audit or other action is initiated prior to the expiration of the three-year retention period, then all records and accounts must be retained until their destruction is authorized by TDA. TDA and the Texas State Auditor's Office (SAO) reserve the right to examine all books, documents, records, and accounts relating to the grant, including all electronic records, at any time throughout the duration of the agreement until all litigation, claims, negotiations, audits or other action pertaining to a grant is resolved, or until the expiration of the three-year retention period, whichever is longer. TDA and the SAO shall have access to: all electronic data or records pertaining to the grant; the physical location where records are stored; and all locations related to grant activities.

5. If the Grantee has a financial audit performed during the time the Grantee is receiving funds from TDA, upon request TDA shall have access to information about the audit, including the audit transmittal letter, management letter, any schedules, and the final report or result of such audit.
6. Grantees must comply with Texas Government Code, Chapter 783, Uniform Grant and Contract Management; the Uniform Grant Management Standards (UGMS); 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and 45 CFR part 75, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, if applicable.

## APPLICATION INSTRUCTIONS

The 2017 SHIP online application form can be accessed using the following link:

<http://www.texasagriculture.gov/GrantsServices/SHIP.aspx>

Please read the application guidelines thoroughly before completing and submitting the online application form. Applications must provide all of the requested information. Please read all questions and accurately answer each as it pertains to the applicant. Any questions regarding the 2017 SHIP program, the online application form, or application guidelines can be directed to the State Office of Rural Health at (512) 463-0018 or by email at [RuralHealth@TexasAgriculture.gov](mailto:RuralHealth@TexasAgriculture.gov).